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OCEAN SHORES GROUP LIMITED

海岸集團有限公司*

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT

This announcement is made at the request of the Stock Exchange in respect of the concentration of the Shares of the Company in the hands of a small number of shareholders as at 28 November, 2001.

Shareholders of the Company and investors are reminded to exercise caution when dealing in the Shares of the Company.

CONCENTRATION OF PUBLIC FLOAT

The directors of Ocean Shores Group Limited (the "**Company**") have been informed by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") that, on the basis of the information provided by the Securities and Futures Commission to the Stock Exchange, as at 28 November, 2001:

1. approximately 46.36% of the issued share capital of the Company was held by Classical Statue Limited (a wholly-owned subsidiary of China Star Entertainment Limited ("**China Star**"), the shares of which are also listed on the main board of the Stock Exchange);
2. approximately 50.63% was held by 15 other individual/group of shareholders; and
3. approximately 3.01% was held by other public shareholders.

Based on such information, in aggregate, Classical Statue Limited together with the 15 other major shareholders would collectively account for 96.99% of the Company's issued share capital as at 28 November, 2001, while only approximately 3.01% was held by other public shareholders.

In addition, based on the information provided by the Securities and Futures Commission to the Stock Exchange, 7 of the 15 other shareholders were involved in heavy trading in the shares of the Company ("**Shares**") from 30 October to 29 November, 2001 and their trades accounted for about 40% and 16% of the total market purchases and sales of Shares respectively during that period.

Classical Statue Limited has confirmed with the Company that it has not bought or sold any Shares since 30 October, 2001 and has continued to hold 183,600,000 Shares (being the number of Shares held by Classical Statue Limited as at 28 November, 2001) as at the date of this announcement.

Each of the directors, chief executives and other substantial shareholders of the Company and its subsidiaries has confirmed with the Company that none of them or any of their respective associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange) had any interests in Shares as at 30 October, 2001 (save for the interests held by Classical Statue Limited in 183,600,000 Shares and the deemed interests held by Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany, who are both directors of the Company ("**Directors**"), in the 183,600,000 Shares held by Classical Statue Limited by reason of their shareholding interests in China Star) nor have they bought or sold any Shares since that date.

Subsequent to 28 November, 2001, on 13 December, 2001, the Company issued and allotted 79,200,000 Shares to Top Vision Management Limited ("**Top Vision**") in satisfaction of the consideration payable for the acquisition of a 100% shareholding in Plexwood Limited (details of the transaction were contained in an announcement of the Company dated 23 November, 2001). Top Vision has also confirmed to the Company that it has not bought or sold any Shares since 13 December, 2001 and has continued to hold 79,200,000 Shares as at the date of this announcement.

Based on the information supplied by the Stock Exchange and the above confirmations received from the directors, chief executives and substantial shareholders of the Company and its subsidiaries, the Directors note that as at the date of this announcement, Classical Statue Limited is interested in 183,600,000 Shares, representing approximately 38.64% of the issued share capital of the Company, and Top Vision is interested in 79,200,000 Shares, representing approximately 16.67% of the issued share capital of the Company.

The Directors believe that the Company is in compliance of Rule 8.08 of The Rules Governing the Listing of Securities on the Stock Exchange relating to the minimum 25% public float requirement.

Given the concentration of the Company's public float in the hands of a small number of shareholders of the Company as at 28 November, 2001, some of whom were also involved in heavy trading in Shares during the period 30 October to 29 November, 2001, the Company hereby makes this announcement to keep the market properly informed.

Shareholders of the Company and investors are reminded to exercise caution when dealing in the Shares of the Company.

By order of the Board
Lei Hong Wai
Executive Director

Hong Kong, 1 February, 2002

* for identification only